

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

SEP 30 2015



0000164152

COMMISSIONERS  
SUSAN BITTER SMITH - Chairman  
TOM FORESE  
DOUG LITTLE  
BOB STUMP  
BOB BURNS

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. W-02197A-12-0410  
HUMBOLDT WATER SYSTEMS, INC.FOR )  
APPROVAL OF A FINANCING APPLICATION ) DOCKET NO, W-02197A-13-0155  
IN THE MATTER OF THE APPLICATION OF ) DECISION NO. 74386  
HUMBOLDT WATER SYSTEMS, INC. FOR )  
APPROVAL OF A RATE INCREASE )

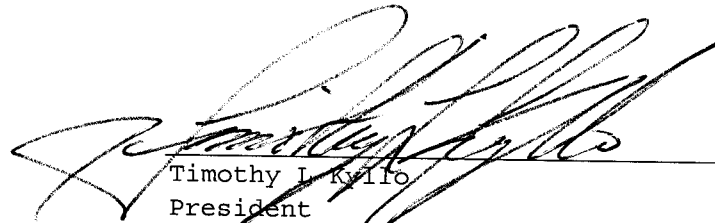
On March 19, 2014 the Commission entered Decision No. 74386 in this  
docket. This Decision among other things authorized Humboldt Water Systems  
Inc.(the Company) to implement an Arsenic Cost Recovery Mechanism (ACRM)  
recover operations and maintenance expenses associated with operating the  
treatment facility. The Staff Report recommended a surcharge of \$1.00 per  
month with a \$.10 commodity charge to recover costs associated with the  
operation of the treatment facility, however the order authorized the ACRM  
method of cost recovery.

Based on the attached budget, the Company requests an ACRM of \$27,000  
per year to be collected monthly from the customers per the attached  
Calculation of ACRM Distribution. To insure the Company has sufficient funds  
to pay for the eventual event of media replacement the Company proposes to  
hold the ACRM funds collected in a separate bank account reserved for the  
operational costs associated with water treatment costs as defined in this  
Decision No. 74386.

BEFORE THE ARIZONA CORPORATION COMMISSION

The decision further ordered this Docket to remain open  
until this ACRM can be implemented.

Respectfully Submitted this 28<sup>th</sup> Day of September, 2015

A handwritten signature in dark ink, appearing to read 'Timothy I. Kylo', is written over a horizontal line.

Timothy I. Kylo  
President  
Humboldt Water Systems, Inc.

Humboldt Water Systems, Inc.  
Docket Nos. W-02197A-12-0410 and W-02197A-13-0115  
Decision # 74386

**CALCULATION OF ACRM AMOUNT FOR  
ARSENIC AND NITRATES TREATMENT PLANT**

Total Annual operational costs for treatment **Annual Costs**  
\$ 27,000

Total equivalent Annual Bills 4296

5/8 x 3/4 Meter Surcharge Amount	13,674/4,416	\$ 6.11
3/4 x 3/4 Meter Surcharge Amount	3.18 x 1	\$ 6.11
1" Meter Surcharge Amount	3.18 x 2.5	\$ 15.29
1 1/2 " Meter Surcharge Amount	3.18 x 5.0	\$ 30.57
2" Meter Surcharge Amount	3.18 x 6.0	\$ 36.68
3" Meter Surcharge Amount	3.18 x 16.0	\$ 97.83
4" Meter Surcharge Amount	3.18 x 25	\$ 152.85
6" Meter Surcharge Amount	3.18 x 50	\$ 305.71

Meter Size	Number of Customers	Customer Multiplier	Equivalent Customers	Equivalent N. of Bills	Monthly Surcharge	Yearly Surcharge	Total Amount
5/8" x 3/4"	193	1	193	2,316	\$ 6.11	\$ 73.37	\$ 14,160.33
3/4"	133	1	133	1,596	\$ 6.11	\$ 73.37	\$ 9,758.15
1"	2	2.5	5	60	\$ 15.29	\$ 183.42	\$ 366.85
1 1/2"	1	5	5	60	\$ 30.57	\$ 366.85	\$ 366.85
2"	4	8	32	384	\$ 36.68	\$ 440.22	\$ 1,760.87
3"	0	16	0	0	\$ 97.83	\$ 1,173.91	\$ -
4"	0	25	0	0	\$ 152.85		
6"	0	50	0	0	\$ 305.71		
<b>TOTAL</b>	<b>333</b>		<b>368</b>	<b>4,416</b>			<b>\$ 26,413.04</b>